

CONFIDENTIAL**SECRET****FILE:**

14 December 1960

MEMORANDUM FOR THE RECORD

SUBJECT: Firearms, General
Visit to Alcohol and Tobacco Tax Division, Treasury
Department Firearms Collection

1. On 14 December 1960 I contacted Mr. Theron Darr, Assistant Chief Firearms Section, Alcohol and Tobacco Tax Division, Treasury Department. Mr. Oscar Neal is the Section Chief, but was not available at the time of the visit. The Firearms Section is located in the Internal Revenue Building at 10th and Pennsylvania Avenue, N. W. Room 2575; Code 184, extension 3500 or 3575. TSD/OS was aware of the visit, and I used Agency credentials to identify myself to Mr. Darr.

2. Mr. Darr and Staff were very cooperative and showed me their exhibit of firearms. The majority of these weapons are either machine gun or sub-machine gun variety. Many types were present and in some quantity. I noticed German Schmeisser M40 and M44 Machine Pistols (approximately 30 each type), Russian PPSH and Degtyarov 7.6mm machine guns (about 12 total), Vickers .303 and Maxim 7.92 machine guns (about 4). In addition to the machine guns several varieties of odd type weapons were seen: sawed-off shotguns, shotgun revolvers (.410), flashlight guns, ZIP guns, cut-down .22 caliber rifles, luger machine pistols, cut-down .30 M-1 carbines (automatic), cane guns, Zippo and Ronson Lighter guns, pen guns, and homemade shotguns.

3. I inquired as to the disposition of all the machine guns and was told that they would be turned over eventually to GSA or destroyed. All these weapons are in firing order. I inquired about obtaining some of the weapons on a permanent basis and was told it could probably be done on a receipt basis only. The Firearms Section will give us any weapon we desire on a loan basis, without formal authorization through channels. [redacted], OL/PRD will be informed of the machine gun status.

4. I did not see any particular weapon that would be of great interest to us. It is interesting to note that the tear gas pencil can be accommodated to fire a .38 and that lighter guns are being used. Attached are copies of "The National Firearms Act" and "A guide to Laws". The Firearms Section is interested, by law, in any device that is capable of being used as a firearm.

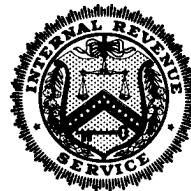
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CONFIDENTIAL**SECRET**

**NATIONAL
FIREARMS
ACT**

_____ **and**

**FEDERAL
FIREARMS
ACT**



U. S. TREASURY DEPARTMENT

Internal Revenue Service

PUBLICATION NO. 364 (Rev. 7-60)

**NATIONAL FIREARMS ACT
AND
FEDERAL FIREARMS ACT**

Internal Revenue Service
Alcohol and Tobacco Tax Division
Enforcement Branch

The National Firearms Act and the Federal Firearms Act are administered by the Enforcement Branch of this operational division of your Internal Revenue Service. Uniform enforcement of these laws is in the best public interest, contributing to the suppression of crime by the process of regulating traffic in firearms and ammunition and providing the basis for prosecution of willful violators. The laws which govern the scope of the firearms program are reprinted herein for distribution as a public service.

Your cooperation and support in our effort to effectively administer the firearms program are solicited in the interest of better law enforcement.

DWIGHT E. AVIS, *Director,*
Alcohol and Tobacco Tax Division.

NATIONAL FIREARMS ACT

Law: United States Code, Title 26, Chapter 53.

Regulations: Part 179 of Title 26 (1954), Code of Federal Regulations.

Weapons coming within the purview of the National Firearms Act may be legally acquired and lawfully possessed subject to regulatory requirements. However, any such weapon is contraband unless properly registered, and unlawful possession thereof is subject to statutory penalties.

SPECIAL (OCCUPATIONAL) TAXES

Section 5801. Tax. (a) *Rate.*—On first engaging in business, and thereafter on or before the first day of July of each year, every importer, manufacturer, and dealer in firearms shall pay a special tax at the following rates:

(1) *Importers or manufacturers.*—Importers or manufacturers, \$500 a year or fraction thereof;

(2) *Dealers other than pawnbrokers.*—Dealers, other than pawnbrokers, \$200 a year or fraction thereof;

(3) *Pawnbrokers.*—Pawnbrokers, \$300 a year or fraction thereof:

Provided, That manufacturers and dealers in guns with combination shotgun and rifle barrels, 12 inches or more but less than 18 inches in length, from which only a single discharge can be made from either barrel without manual reloading, and manufacturers and dealers in guns classified as "any other weapon" under section 5848(5), shall pay the following taxes: Manufacturers, \$25 a year or fraction thereof; dealers, \$10 a year or fraction thereof.

(b) *Cross Reference.*—For license to transport, ship, or receive firearms or ammunition under the Federal Firearms Act, see section 3 of the Act of June 30, 1938 (52 Stat. 1251; 15 U.S.C. 903).

Section 5802. Registration. *Importers, Manufacturers, and Dealers.*—On first engaging in business, and thereafter on or before the first day of July of each year, every importer, manufacturer, and dealer in firearms shall register with the Secretary or his delegate in each internal revenue district in which such business is to be carried on his name or style, principal place of business, and places of business in such district.

Section 5803. Exemptions. For provisions exempting certain transfers, see section 5812.

TRANSFER TAX

Section 5811. Tax. (a) *Rate.*—There shall be levied, collected, and paid on firearms transferred in the United States a tax at the rate of \$200 for each firearm: *Provided*, That the transfer tax on any gun with combination shotgun and rifle barrels, 12 inches or more but less than 18 inches in length, from which only a single discharge can be made from either barrel without manual reloading, and on any gun classified as "any other weapon" under section 5848(5), shall be at the rate of \$5. The tax imposed by this section shall be in addition to any import duty imposed on such firearm.

(b) *By Whom Paid.*—Such tax shall be paid by the transferor: *Provided*, That if a firearm is transferred without payment of such tax the transferor and transferee shall become jointly and severally liable for such tax.

(c) *How Paid.*—

(1) *Stamps.*—Payment of the tax herein provided shall be represented by appropriate stamps to be provided by the Secretary or his delegate.

(d) *Cross Reference.*—

(1) For assessment in case of omitted taxes payable by stamp, see sections 6155(a), 6201(a)(2)(A), 6601(c)(4), and 6201(a).

(2) For requirements as to registration and special tax, see sections 5801 and 5802.

(3) For excise tax on pistols, revolvers, and firearms, see section 4181.

Section 5812. Exemptions. (a) *Transfers Exempt.*—This chapter shall not apply to the transfer of firearms—

(1) to the United States Government, any State, Territory, or possession of the United States, or to any political subdivision thereof, or to the District of Columbia;

(2) to any peace officer or any Federal officer designated by regulations of the Secretary or his delegate;

(3) to the transfer of any firearm which is unserviceable and which is transferred as a curiosity or ornament.

(b) *Notice of Exemption.*—If the transfer of a firearm is exempted as provided in subsection (a), the person transferring such firearm shall notify the Secretary or his delegate of the name and address of the applicant, the number or other mark identifying such firearm, and the date of its transfer, and shall file with the Secretary or his delegate such documents in proof thereof as the Secretary or his delegate may by regulations prescribe.

(c) *Exemption From Other Taxes.*—For exemption from excise tax on pistols, revolvers, and firearms, see section 4182(a).

Section 5813. Stamps. (a) *Affixing.*—The stamps pro-

vided for in section 5811(c)(1) shall be affixed to the order for such firearm, provided for in section 5814.

(b) *Other Laws Applicable.*—For provisions relating to the engraving, issuance, sale, accountability, cancellation, and distribution of taxpaid stamps, see section 5846.

Section 5814. Order Forms. (a) *General Requirements.*—It shall be unlawful for any person to transfer a firearm except in pursuance of a written order from the person seeking to obtain such article, on an application form issued in blank in duplicate for that purpose by the Secretary or his delegate. Such order shall identify the applicant by such means of identification as may be prescribed by regulations under this chapter: *Provided, That, if the applicant is an individual, such identification shall include fingerprints and a photograph thereof.*

(b) *Contents of Order Form.*—Every person so transferring a firearm shall set forth in each copy of such order the manufacturer's number or other mark identifying such firearm, and shall forward a copy of such order to the Secretary or his delegate. The original thereof, with stamp affixed, shall be returned to the applicant.

(c) *Exemption in Case of Registered Importers, Manufacturers, and Dealers.*—Importers, manufacturers, and dealers who have registered and paid the tax as provided for in this chapter shall not be required to conform to the provisions of this section with respect to transactions in firearms with dealers or manufacturers if such dealers or manufacturers have registered and have paid such tax, but shall keep such records and make such reports regarding such transactions as may be prescribed by regulations under this chapter.

(d) *Supply.*—The Secretary or his delegate shall cause suitable forms to be prepared for the purposes of subsection (a), and shall cause the same to be distributed to officers designated by him.

TAX ON MAKING FIREARMS

Section 5821. Rate, Exceptions, etc. (a) *Rate.*—There shall be levied, collected, and paid upon the making in the United States of any firearm (whether by manufacture, putting together, alteration, any combination thereof, or otherwise) a tax at the rate of \$200 for each firearm so made.

(b) *Exceptions.*—The tax imposed by subsection (a) shall not apply to the making of a firearm—

(1) by any person who is engaged within the United States in the business of manufacturing firearms;

(2) from another firearm with respect to which a tax has been paid, prior to such making, under subsection (a) of this section; or

(3) for the use of—

(A) the United States Government, any State, Territory, or possession of the United States, any

political subdivision thereof, or the District of Columbia, or

(B) any peace officer or any Federal officer designated by regulations of the Secretary or his delegate.

Any person who makes a firearm in respect of which the tax imposed by subsection (a) does not apply by reason of the preceding sentence shall make such report in respect thereof as the Secretary or his delegate may by regulations prescribe.

(c) *By Whom Paid; When Paid.*—The tax imposed by subsection (a) shall be paid by the person making the firearm. Such tax shall be paid in advance of the making of the firearm.

(d) *How Paid.*—Payment of the tax imposed by subsection (a) shall be represented by appropriate stamps to be provided by the Secretary or his delegate.

(e) *Declaration.*—It shall be unlawful for any person subject to the tax imposed by subsection (a) to make a firearm unless, prior to such making, he has declared in writing his intention to make a firearm, has affixed the stamp described in subsection (d) to the original of such declaration, and has filed such original and a copy thereof. The declaration required by the preceding sentence shall be filed at such place, and shall be in such form and contain such information, as the Secretary or his delegate may by regulations prescribe. The original of the declaration, with the stamp affixed, shall be returned to the person making the declaration. If the person making the declaration is an individual, there shall be included as part of the declaration the fingerprints and a photograph of such individual.

OTHER TAXES

Section 5831. *Cross Reference.*—For excise tax on pistols, revolvers, and firearms, see section 4181.

GENERAL PROVISIONS

Section 5841. *Registration of Persons in General.* Every person possessing a firearm shall register, with the Secretary or his delegate, the number or other mark identifying such firearm, together with his name, address, place where such firearm is usually kept, and place of business or employment, and, if such person is other than a natural person, the name and home address of an executive officer thereof. No person shall be required to register under this section with respect to a firearm which such person acquired by transfer or importation or which such person made, if provisions of this chapter applied to such transfer, importation, or making, as the case may be, and if the provisions which applied thereto were complied with.

Section 5842. *Books, Records and Returns.* Importers, manufacturers, and dealers shall keep such books and records and render such returns in relation to the transactions in firearms specified in this chapter as the Secretary or his delegate may by regulations require.

Section 5843. Identification of Firearms. Each manufacturer and importer of a firearm shall identify it with a number and other identification marks approved by the Secretary or his delegate, such number and marks to be stamped or otherwise placed thereon in a manner approved by the Secretary or his delegate.

Section 5844. Exportation. Under such regulations as the Secretary or his delegate may prescribe, and upon proof of the exportation of any firearm to any foreign country (whether exported as part of another article or not) with respect to which the transfer tax under section 5811 has been paid by the manufacturer, the Secretary or his delegate shall refund to the manufacturer the amount of the tax so paid, or, if the manufacturer waives all claim for the amount to be refunded, the refund shall be made to the exporter.

Section 5845. Importation. No firearm shall be imported or brought into the United States or any territory under its control or jurisdiction, except that, under regulations prescribed by the Secretary or his delegate, any firearm may be so imported or brought in when—

- (1) the purpose thereof is shown to be lawful and
- (2) such firearm is unique or of a type which cannot be obtained within the United States or such territory.

Section 5846. Other Laws Applicable. All provisions of law (including those relating to special taxes, to the assessment, collection, remission, and refund of internal revenue taxes, to the engraving, issuance, sale, accountability, cancellation, and distribution of taxpaid stamps provided for in the internal revenue laws, and to penalties) applicable with respect to the taxes imposed by sections 4701 and 4721, and all other provisions of the internal revenue laws shall, insofar as not inconsistent with the provisions of this chapter, be applicable with respect to the taxes imposed by sections 5811(a), 5821(a) and 5801.

Section 5847. Regulations. The Secretary or his delegate shall prescribe such regulations as may be necessary for carrying the provisions of this chapter into effect.

Section 5848. Definitions. For purposes of this chapter—

(1) *Firearm.*—The term “firearm” means a shotgun having a barrel or barrels of less than 18 inches in length, or a rifle having a barrel or barrels of less than 16 inches in length, or any weapon made from a rifle or shotgun (whether by alteration, modification, or otherwise) if such weapon as modified has an overall length of less than 26 inches, or any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person, or a machine gun; and includes a muffler or silencer for any firearm whether or not such firearm is included within the foregoing definition.

(2) *Machine gun.*—The term “machine gun” means any weapon which shoots, or is designed to

shoot, automatically or semiautomatically, more than one shot, without manual reloading, by a single function of the trigger.

(3) *Rifle*.—The term "rifle" means a weapon designed or redesigned, made or remade, and intended to be fired from the shoulder and designed or redesigned and made or remade to use the energy of the explosive in a fixed metallic cartridge to fire only a single projectile through a rifled bore for each single pull of the trigger.

(4) *Shotgun*.—The term "shotgun" means a weapon designed or redesigned, made or remade, and intended to be fired from the shoulder and designed or redesigned and made or remade to use the energy of the explosive in a fixed shotgun shell to fire through a smooth bore either a number of ball shot or a single projectile for each single pull of the trigger.

(5) *Any other weapon*.—The term "any other weapon" means any weapon or device capable of being concealed on the person from which a shot can be discharged through the energy of an explosive, but such term shall not include pistols or revolvers or weapons designed, made or intended to be fired from the shoulder and not capable of being fired with fixed ammunition.

(6) *Importer*.—The term "importer" means any person who imports or brings firearms into the United States for sale.

(7) *Manufacturer*.—The term "manufacturer" means any person who is engaged within the United States in the business of manufacturing firearms, or who otherwise produces therein any firearm for sale or disposition.

(8) *Dealer*.—The term "dealer" means any person not a manufacturer or importer, engaged within the United States in the business of selling firearms. The term "dealer" shall include wholesalers, pawnbrokers, and dealers in used firearms.

(9) *Interstate commerce*.—The term "interstate commerce" means transportation from any State or Territory or District, or any insular possession of the United States, to any other State or to the District of Columbia.

(10) *To transfer or transferred*.—The term "to transfer" or "transferred" shall include to sell, assign, pledge, lease, loan, give away, or otherwise dispose of.

(11) *Person*.—The term "person" includes a partnership, company, association, or corporation, as well as a natural person.

Section 5849. Citation of Chapter. This chapter may be cited as the "National Firearms Act" and any reference in any other provision of law to the "National Firearms Act" shall be held to refer to the provisions of this chapter.

UNLAWFUL ACTS

Section 5851. Possessing Firearms Illegally. It shall be unlawful for any person to receive or possess any firearm which has at any time been transferred in violation of sections 5811, 5812(b), 5813, 5814, 5844, or 5846, or which has at any time been made in violation of section 5821, or to possess any firearm which has not been registered as required by section 5841. Whenever on trial for a violation of this section the defendant is shown to have or to have had possession of such firearm, such possession shall be deemed sufficient evidence to authorize conviction, unless the defendant explains such possession to the satisfaction of the jury.

Section 5852. Removing or Changing Identification Marks. It shall be unlawful for anyone to obliterate, remove, change, or alter the number or other identification mark required by section 5843. Whenever on trial for a violation of this section the defendant is shown to have or to have had possession of any firearm upon which such number or mark shall have been obliterated, removed, changed, or altered, such possession shall be deemed sufficient evidence to authorize conviction, unless the defendant explains such possession to the satisfaction of the jury.

Section 5853. Importing Firearms Illegally. It shall be unlawful—

(1) fraudulently or knowingly to import or bring any firearm into the United States or any territory under its control or jurisdiction, in violation of the provisions of this chapter; or

(2) knowingly to assist in so doing; or

(3) to receive, conceal, buy, sell, or in any manner facilitate the transportation, concealment, or sale of any such firearm after being imported or brought in, knowing the same to have been imported or brought in contrary to law.

Whenever on trial for a violation of this section the defendant is shown to have or to have had possession of such firearm, such possession shall be deemed sufficient evidence to authorize conviction, unless the defendant explains such possession to the satisfaction of the jury.

Section 5854. Failure To Register and Pay Special Tax. It shall be unlawful for any person required to register under the provisions of section 5802 to import, manufacture, or deal in firearms without having registered and paid the tax imposed by section 5801.

Section 5855. Unlawful Transportation in Interstate Commerce. It shall be unlawful for any person who is required to register as provided in section 5841 and who shall not have so registered, or any other person who has not in his possession a stamp-affixed order as provided in section 5814 or a stamp-affixed declaration as provided in section 5821, to ship, carry, or deliver any firearm in interstate commerce.

PENALTIES AND FORFEITURES

Section 5861. Penalties. Any person who violates or fails to comply with any of the requirements of this chapter shall, upon conviction, be fined not more than

\$2,000, or be imprisoned for not more than 5 years, or both, in the discretion of the court.

Section 5862. Forfeitures. (a) *Laws Applicable.*—Any firearm involved in any violation of the provisions of this chapter or any regulation promulgated thereunder shall be subject to seizure and forfeiture, and (except as provided in subsection (b)) all the provisions of internal revenue laws relating to searches, seizures, and forfeiture of unstamped articles are extended to and made to apply to the articles taxed under this chapter, and the persons to whom this chapter applies.

(b) *Disposal.*—In the case of the forfeiture of any firearm by reason of a violation of this chapter: No notice of public sale shall be required; no such firearm shall be sold at public sale; if such firearm is forfeited for a violation of this chapter and there is no remission or mitigation of forfeiture thereof, it shall be delivered by the Secretary or his delegate to the Administrator of General Services, General Services Administration, who may order such firearm destroyed or may sell it to any State, Territory, or possession, or political subdivision thereof, or the District of Columbia, or at the request of the Secretary or his delegate may authorize its retention for official use of the Treasury Department, or may transfer it without charge to any executive department or independent establishment of the Government for use by it.

FEDERAL FIREARMS ACT

Law: United States Code, Title 15, Chapter 18.

Regulations: Part 177 of Title 26 (1954), Code of Federal Regulations.

All firearms (including parts thereof), silencers, and pistol or revolver ammunition come within the purview of this Act, and commercial (interstate) traffic therein is subject to licensing requirements. This Act is designed primarily to deny the criminal lawful access to such items, but violations of the law arise from the operations of the licensee and/or the criminal status of the person involved rather than the mere possession of a weapon.

Section 901. Definitions. As used in this chapter:

(1) The term "person" includes an individual, partnership, association, or corporation.

(2) The term "interstate or foreign commerce" means commerce between any State, Territory or possession (not including the Canal Zone), or the District of Columbia, and any place outside thereof; or between points within the same State, Territory, or possession (not including the Canal Zone), or the District of Columbia, but through any place outside thereof; or within any Territory or possession or the District of Columbia.

(3) The term "firearm" means any weapon, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosive and a firearm muffler or firearm silencer, or any part or parts of such weapon.

(4) The term "manufacturer" means any person engaged in the manufacture or importation of firearms, or ammunition or cartridge cases, primers, bullets, or propellant powder for purposes of sale or distribution; and the term "licensed manufacturer" means any such person licensed under the provisions of this chapter.

(5) The term "dealer" means any person engaged in the business of selling firearms or ammunition or cartridge cases, primers, bullets or propellant powder, at wholesale or retail, or any person engaged in the business of repairing such firearms or of manufacturing or fitting special barrels, stocks, trigger mechanisms, or breech mechanisms to firearms, and the term "licensed dealer" means any such person licensed under the provisions of this chapter.

(6) The term "crime of violence" means murder, manslaughter, rape, mayhem, kidnaping, robbery, burglary, housebreaking; assault with intent to kill, commit rape, or rob; assault with a dangerous weapon, or assault with intent to commit any offense punishable by imprisonment for more than one year.

(7) The term "fugitive from justice" means any person who has fled from any State, Territory, the District of Columbia, or possession of the United States to avoid prosecution for a crime of violence or to avoid giving testimony in any criminal proceeding.

(8) The term "ammunition" shall include only pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22 caliber rimfire ammunition.

Section 902. Transporting, Shipping, or Receiving Firearms or Ammunition in Interstate or Foreign Commerce; Acts Prohibited. (a) It shall be unlawful for any manufacturer or dealer, except a manufacturer or dealer having a license issued under the provisions of this chapter, to transport, ship, or receive any firearm or ammunition in interstate or foreign commerce.

(b) It shall be unlawful for any person to receive any firearm or ammunition transported or shipped in interstate or foreign commerce in violation of subdivision (a) of this section, knowing or having reasonable cause to believe such firearms or ammunition to have been transported or shipped in violation of subdivision (a) of this section.

(c) It shall be unlawful for any licensed manufacturer or dealer to transport or ship any firearm in interstate or foreign commerce to any person other than a licensed manufacturer or dealer in any State the laws of which require that a license be obtained for the purchase of such firearm, unless such license is exhibited to such manufacturer or dealer by the prospective purchaser.

(d) It shall be unlawful for any person to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition to any person knowing or having reasonable cause to believe that such person is under indictment or has been convicted in any court of the United States, the several States, Territories, possessions, or the District of Columbia of a crime of violence or is a fugitive from justice.

(e) It shall be unlawful for any person who is under indictment or who has been convicted of a crime of violence or who is a fugitive from justice to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition.

(f) It shall be unlawful for any person who has been convicted of a crime of violence or is a fugitive from justice to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce, and the possession of a firearm or ammunition by any such person shall be presumptive evidence that such firearm or ammunition was shipped or transported or received, as the case may be, by such person in violation of this chapter.

(g) It shall be unlawful for any person to transport or ship or cause to be transported or shipped in interstate or foreign commerce any stolen firearm or ammunition, knowing, or having reasonable cause to believe, same to have been stolen.

(h) It shall be unlawful for any person to receive, conceal, store, barter, sell, or dispose of any firearm or ammunition or to pledge or accept as security for a loan any firearm or ammunition moving in or which is a part of interstate or foreign commerce, and which while so moving or constituting such part has been stolen, knowing, or having reasonable cause to believe the same to have been stolen.

(i) It shall be unlawful for any person to transport, ship, or knowingly receive in interstate or foreign commerce any firearm from which the manufacturer's serial number has been removed, obliterated, or altered, and the possession of any such firearm shall be presumptive evidence that such firearm was transported, shipped, or received, as the case may be, by the possessor in violation of this chapter.

Section 903. License To Transport, Ship, or Receive Firearms or Ammunition. (a) Any manufacturer or dealer desiring a license to transport, ship, or receive firearms or ammunition in interstate or foreign commerce shall make application to the Secretary of the Treasury, who shall prescribe by rules and regulations the information to be contained in such application. The applicant shall, if a manufacturer, pay a fee of \$25 per annum and, if a dealer, shall pay a fee of \$1 per annum.

(b) Upon payment of the prescribed fee, the Secretary of the Treasury shall issue to such applicant a license which shall entitle the licensee to transport, ship, and receive firearms and ammunition in interstate and foreign commerce unless and until the license is suspended or revoked in accordance with the provisions of this chapter: *Provided*, That no license shall be issued to any applicant within two years after the revocation of a previous license.

(c) Whenever any licensee is convicted of a violation of any of the provisions of this chapter, it shall be the duty of the clerk of the court to notify the Secretary of the Treasury within forty-eight hours after such conviction and said Secretary shall revoke such license: *Provided*, That in the case of appeal from such conviction the licensee may furnish a bond in the amount of \$1,000, and upon receipt of such bond acceptable to the Secretary of the Treasury he may permit the licensee to continue business during the period of the appeal, or should the licensee refuse or neglect to furnish such bond, the Secretary of the Treasury shall suspend such license until he is notified by the clerk of the court of last appeal as to the final disposition of the case.

(d) Licensed dealers shall maintain such permanent records of importation, shipment, and other disposal of firearms and ammunition as the Secretary of the Treasury shall prescribe.

Section 904. Excepted Persons. The provisions of this chapter shall not apply with respect to the transportation, shipment, receipt, or importation of any firearm, or ammunition, sold or shipped to, or issued for the use

of, (1) the United States, or any department, independent establishment, or agency thereof; (2) any State, Territory, or possession, or the District of Columbia, or any department, independent establishment, agency, or any political subdivision thereof; (3) any duly commissioned officer or agent of the United States, a State, Territory, or possession, or the District of Columbia, or any political subdivision thereof; (4) or to any bank, public carrier, express, or armored-truck company organized and operating in good faith for the transportation of money and valuables; (5) or to any research laboratory designated by the Secretary of the Treasury: *Provided*, That such bank, public carriers, express, and armored-truck companies are granted exemption by the Secretary of the Treasury; nor to the transportation, shipment, or receipt of any antique or unserviceable firearms, or ammunition, possessed and held as curios or museum pieces: *Provided*, That nothing contained in this section shall be construed to prevent shipments of firearms and ammunition to institutions, organizations, or persons to whom such firearms and ammunition may be lawfully delivered by the Secretary of War, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competitions.

Section 905. Penalties. (a) Any person violating any of the provisions of this chapter or any rules and regulations promulgated hereunder, or who makes any statement in applying for the license or exemption provided for in this chapter, knowing such statement to be false, shall, upon conviction thereof, be fined not more than \$2,000, or imprisoned for not more than five years, or both.

(b) Any firearm or ammunition involved in any violation of the provisions of this chapter or any rules or regulations promulgated thereunder shall be subject to seizure and forfeiture, and all provisions of Title 26 relating to the seizure, forfeiture, and disposition of firearms as defined in section 2733¹ of Title 26 shall, so far as applicable, extend to seizures and forfeitures incurred under the provisions of this chapter.

Section 906. Effective Date of Chapter. This chapter shall take effect thirty days after June 30, 1938.

Section 907. Rules and Regulations. The Secretary of the Treasury may prescribe such rules and regulations as he deems necessary to carry out the provisions of this chapter.

Section 908. Separability Clause. Should any section or subsection of this chapter be declared unconstitutional, the remaining portion of the chapter shall remain in full force and effect.

Section 909. Short Title. This chapter may be cited as the Federal Firearms Act.

¹ Sec. 5848, Internal Revenue Code of 1954.

Information regarding the firearms laws may be obtained at any regional or branch office of the Alcohol and Tobacco Tax. For the exact location of the office in your vicinity, it is suggested you consult the Government listings in your local telephone directory.

Assistant Regional Commissioner
Alcohol and Tobacco Tax
INTERNAL REVENUE SERVICE
U.S. TREASURY DEPARTMENT

Located at:

Address and Telephone

ATLANTA, Georgia (Jackson 2-4121), Peachtree-Baker Building, 275 Peachtree Street NE., Atlanta 3, Ga.

BOSTON, Massachusetts (Lafayette 3-8600), 55 Tremont Street, Boston 8, Mass.

CHICAGO, Illinois (Dearborn 2-4500), 17 North Dearborn Street, Chicago 2, Ill.

CINCINNATI, Ohio (Dunbar 1-2200), Alms and Doepke Building, 222 E. Central Parkway, Cincinnati 2, Ohio

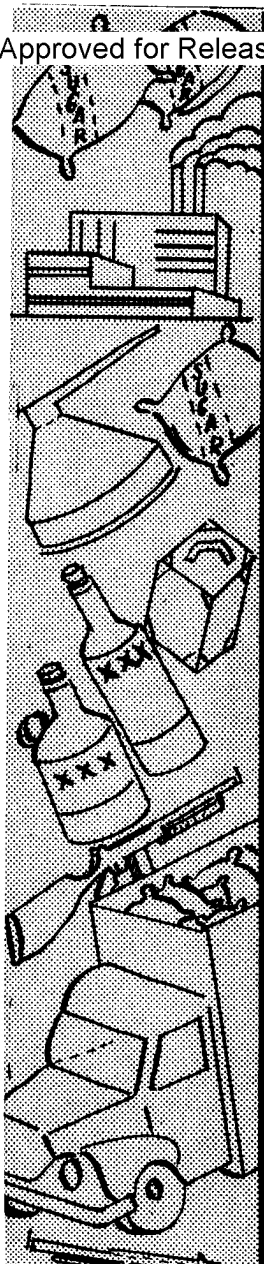
DALLAS, Texas (Riverside 8-5611), Santa Fe Building, 1114 Commerce Street, Dallas 2, Tex.

NEW YORK, New York (Barclay 7-0800), 290 Broadway, New York 7, N. Y.

OMAHA, Nebraska (Jackson 7900), 100 Elks Club Building, Omaha 2, Nebr.

PHILADELPHIA, Pennsylvania (Walnut 3-2400), Third Floor, 2 Penn Center Plaza, Philadelphia 7, Pa.

SAN FRANCISCO, California (Yukon 6-3500), Flood Building, 870 Market Street, San Francisco 2, Calif.



A GUIDE to LAWS

**Enforced by the
Alcohol and
Tobacco Tax
Division**

***For Law
Enforcement
Officers***



**U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE**

TO ALL LAW ENFORCEMENT OFFICERS:

During calendar year 1958, the Enforcement Branch, Alcohol and Tobacco Tax Division, Internal Revenue Service, arrested 11,183 violators of Federal liquor and firearms laws and seized 9,183 illicit stills, 212,885 gallons non-taxpaid spirits, 4,699,199 gallons of mash and 1,059 firearms. Many of the arrests and seizures would not have been made but for the valuable information and other assistance furnished us by State and local law enforcement officers. We wish to thank these officers for their cooperation.

The production of non-taxpaid liquor defrauds the Federal as well as State governments of many millions of dollars in tax revenue each year. The profits from illegal liquor permit criminal groups to finance other unsavory activities. Law-abiding citizens must bear the subsequent increase in law enforcement costs.

This pamphlet is designed to acquaint law enforcement officers, particularly those unfamiliar with the traffic in non-taxpaid whiskey and alcohol, with the Federal laws enforced by the Alcohol and Tobacco Tax Division, to provide basic examples of substantive violations and evidence usually connected with them, and to furnish Regional and local addresses to which information concerning suspected violations may be reported.

We solicit your cooperation and support of our effort to enforce the Internal Revenue liquor laws and the National and Federal Firearms Acts.

*Dwight E. Avis, Director
Alcohol and Tobacco Tax Division*

INTERNAL REVENUE LIQUOR LAW VIOLATIONS

WHAT TO REPORT

Subtitle E, Chapter 51, IRC, "Distilled Spirits, Wines and Beer", sets forth the laws pertaining to the manufacture and possession of non-taxpaid spirits which are enforced by the Alcohol and Tobacco Tax Division. The ownership and/or possession of any of the following articles is a violation of law and should be reported to the nearest Alcohol and Tobacco Tax office:

1. Unregistered stills or distilleries
2. Non-taxpaid distilled spirits
3. Fermented mash (usually a grain, sugar, water and yeast mixture) on illicit premises
4. Raw materials, such as sugar, yeast and grain, intended for use in the manufacture of non-taxpaid spirits
5. Containers (barrels, kegs, cans, jugs, bottles, etc.) intended for use in packaging non-taxpaid spirits

(Vehicles transporting non-taxpaid spirits or raw materials and property intended for use in the illicit manufacture of spirits are subject to seizure and forfeiture to the Federal Government.)

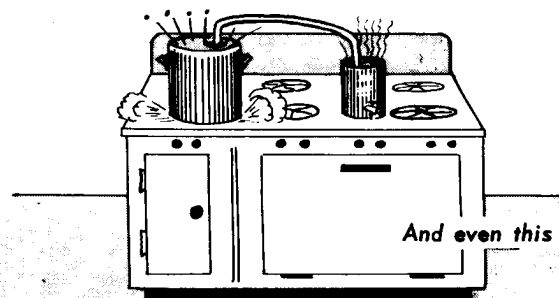
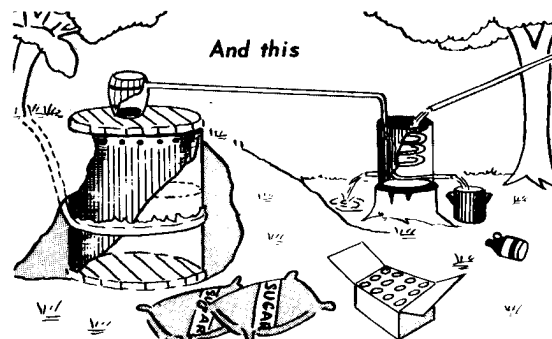
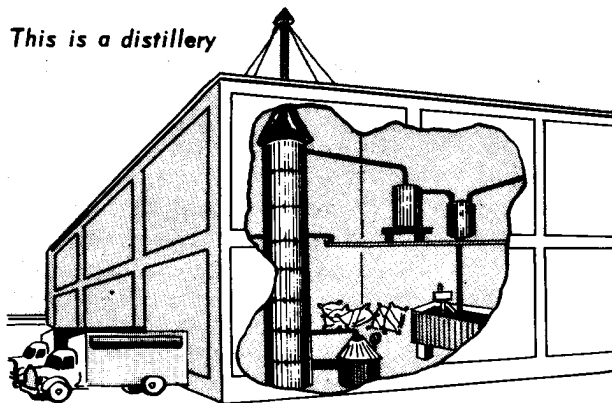
THE DISTILLING PROCESS

The process used in the manufacture of non-taxpaid spirits at a large elaborate unregistered alcohol plant is basically no different from that required to produce spirits on a kitchen stove. Mash, usually a grain, water, sugar and yeast mixture, is allowed to ferment. At the fermentation peak (the point at which the mash contains the greatest percentage of alcohol by volume), heat is applied to the mash in one of a number of ways. The alcohol vapor rises and is condensed. Whiskey or alcohol, depending on the type of still used, is the product.

There are many sizes and types of illicit distilleries. Each proof gallon of non-taxpaid spirits produced results in a tax fraud on the United States Government of \$10.50.

Here are illustrations of a few of the many types of distilleries used by internal revenue liquor law violators:

This is a distillery



If you receive information (facts or rumors) that moonshine whiskey or alcohol is being sold or manufactured locally, here are some of the things to look for—they may lead you to an unregistered distillery.

1. Unusual activity in a private residence, in farm buildings, in warehouses or vacant manufacturing plants, in wooded areas

Distilleries are often found where least expected. Never rule out the possibility that a distillery is located in a private residence because of its location in a fashionable section of town, on what appears to be a prosperous farm, etc. One way to affirm or refute your suspicions is to determine through utility companies if the consumption of water, oil, gas or electricity in a particular private residence, etc., is considerably higher than it has been in the past. Water and electric meter readers might be able to furnish some evidence of unusual activity or equipment in a particular home or building you suspect.

2. Odor of fermenting mash or burning coke

There is no mistaking the odor of fermenting mash once you are familiar with it. The odor of fermenting mash can be described as full, ripe, yeasty and not unpleasant. The odor is somewhat similar to that of home brew and beer, of a decaying sawdust pile or rising bread dough. Coke is a favorite fuel of moonshiners (intense heat with little smoke) operating large

distilleries in rural areas. Be on the lookout for the odor of coke gas outside industrial areas.

3. Large and unusual purchases of sugar or numerous small purchases by one person

Although not absolutely essential in preparing mash for fermentation and distillation, sugar is used at 99 out of a 100 distilleries. The use of sugar greatly increases the alcohol content of mash and the subsequent yield of non-taxpaid spirits. The purchase of a large quantity of sugar by an individual who has but a normal need for the commodity is a lead which should be followed. The sugar could be used to "mash in" a distillery either by the purchaser or other violators. Purchases of yeast in large quantities should be checked for the same reason.

4. Signs of unusual automobile or truck travel into wooded areas, to vacant farms or apparently unoccupied buildings in urban areas

To set up a still of substantial size requires considerable equipment—fermenter vats or barrels, boiler, still fuel, etc. Whenever possible, illicit distilleries are located in out of the way places infrequently visited by residents of the area, hunters, etc., and in urban areas, out of the main stream of traffic. Occasionally the very opposite is true—illicit distilleries have been found in buildings in close proximity to police stations. Travel to and

from distilleries in wooded areas is evidenced by the abnormally well-worn appearance of infrequently used woods roads, saw mill roads, etc. As scrap timber is readily available for use as fuel, small distilleries are frequently set up near old saw mill sites, particularly those in the near vicinity of creeks and branches.

5. Unknown or unidentified vehicles appearing around suspected premises

If you suspect an illicit distillery is located at a certain farm, private dwelling or urban building, note the license numbers of the cars and trucks parked on the premises. The past history of the registered owner might prove to be an additional lead in your investigation.

6. The presence of known violators around previously legitimate places

If a known violator frequents what in the past has been the home of a law-abiding citizen, a reputable place of business, etc., find out why. The property may have changed hands. Perhaps it is now being used to conceal a distillery or to store non-taxpaid spirits.

7. The presence of spent mash in creeks and branches

Violators operating in rural areas have the problem of disposing of spent mash. In wooded areas, spent mash is usually dumped into the creek or stream below where water is obtained for use at the still. After a time its presence

is readily detected—as a thick, tough foam adhering to driftwood or obstructions in the stream, floating in eddies or by the ropy appearance of the water. If a distillery is located on a farm, spent mash is often disposed of by dumping it into an unused well, cistern or purposely-dug pit; by emptying it into hog lots, chicken yards, etc.

8. Informers

The location of an illicit distillery or storage point for illicit spirits can often be ascertained through the use of informers. The Alcohol and Tobacco Tax Division is authorized to pay private citizens for information leading to the seizure of an unregistered distillery or non-taxpaid spirits or vehicles transporting same. If you can obtain information about a violation only through the payment of a reward, perhaps it would be well to contact the Alcohol and Tobacco Tax Investigators at the post of duty nearest you. **Information turned over to Alcohol and Tobacco Tax is treated with the utmost secrecy so as to prevent any unauthorized disclosure of the identity of the informer!**

NATIONAL FIREARMS ACT VIOLATIONS

The underlying objective of the National Firearms Act (Title 26, Chapter 53, USC) is to prevent criminals from obtaining gangster weapons. In view of this objective and the taxing aspects of the Act, each such weapon must be registered and transferred in accordance

with the provisions of the National Firearms Act.

The weapons described below, unless properly registered with the Director, Alcohol and Tobacco Tax Division, are contraband and their possession is a violation of law and regulations as set forth in Chapter 53 of Title 26 of the U. S. Code and Part 179, Title 26, CFR:

1. Fully automatic firearms such as machine guns and machine pistols

2. Shotguns or rifles with barrels less than 18" in length (less than 16" if rifle is .22 caliber or smaller)

3. Any altered shotgun or rifle capable of being concealed on the person (One example of such a weapon is one having shoulder stock altered to form a pistol grip so that it is capable of being concealed on the person.)

4. Any weapon or device (except a conventional pistol or revolver) capable of firing a shot if such weapon or device can be concealed on the person. Such weapons are classified as "any other weapon." (Examples: so-called "pen" guns ostensibly designed to expel tear gas, Handy-guns, Ithaca Auto-Burglar guns, cane guns, etc.)

5. Pistols with shoulder stocks

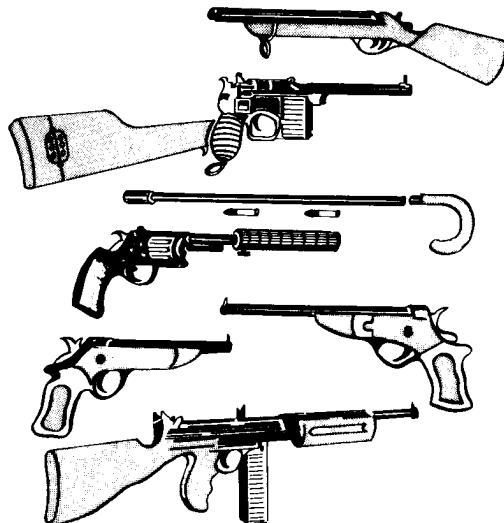
6. Any muffling or silencing device designed for use on firearms of any type

NOTE: The National Office of the Alcohol and Tobacco Tax Division maintains a record of all

registered and lawfully transferred "firearms." The registration record of any "firearm" may be obtained by law enforcement officers through the nearest Alcohol and Tobacco Tax office. Persons possessing registered "firearms" are furnished documentary evidence of registration. If the possessor of a "firearm" is unable to produce such evidence, the matter should be referred to the local Alcohol and Tobacco Tax office for investigation and appropriate administrative or, where circumstances warrant, prosecutive action. Criminal prosecution is instituted only if the possession of a violation "firearm" is attended by evidence of criminal intent on the part of the possessor.

The illustrations below should help officers in determining if a weapon is or is not a "firearm" under the National Firearms Act.

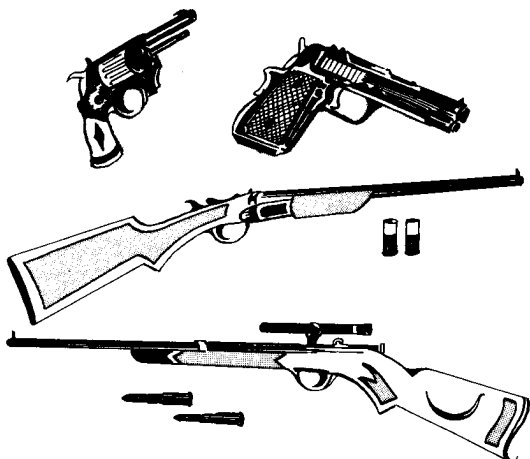
The following weapons are "firearms" and must be registered and/or transferred as required by the National Firearms Act:



ACT OF AUGUST 9, 1939

This Act makes it illegal to transport, carry, conceal, convey, or possess any contraband articles *(including any weapon classed as a "firearm" under the National Firearms Act with respect to which there has been committed any violation of the Act or the regulations issued pursuant thereto)* in or upon any vessel, vehicle, or aircraft or upon the person of anyone therein and subjects the vessel, vehicle, or aircraft to seizure and forfeiture under the Customs laws. *Matters involving the transportation of contraband "firearms" should be reported to the nearest Alcohol and Tobacco Tax office for appropriate attention!*

The following weapons are not *National Firearms Act "firearms"* and no registration or transfer authorization is required:



FEDERAL FIREARMS ACT VIOLATIONS

All firearms (including parts thereof), silencers, and pistol or revolver ammunition fall within the purview of the Federal Firearms Act (Chapter 18, Title 15, USC) and commercial interstate traffic therein is subject to licensing requirements. Dealers licensed under the Federal Firearms Act are required to maintain complete and accurate records of *all* firearms acquired or disposed of in the course of their business in accordance with Part 177, Title 26, CFR. The records are valuable in establishing the first link in the chain of ownership of a weapon used in the commission of a crime.

The Federal Firearms Act specifically forbids the transportation, shipment and the receipt in interstate commerce of a firearm—

1. to or by a felon (convicted of a crime of violence), a fugitive or a person under indictment for a crime of violence;
2. with knowledge that it has been stolen;
3. with serial numbers altered or obliterated;
4. by an unlicensed dealer; or
5. to any purchaser (other than a licensed manufacturer or dealer) who has not secured the license, if any, required by State law for such purchase.

Known or suspected violations of the Act should be reported to the nearest Alcohol and

Tobacco Tax office. Upon request, the office will assist local officers in securing data needed in the investigation of a criminal case and in identifying licensed dealers located in the immediate area.

Remember! Only certain types of firearms (as illustrated) are within the purview of the National Firearms Act. *All* firearms and parts thereof, silencers, and pistol or revolver ammunition (including National Firearms Act "firearms") are subject to the requirements of the Federal Firearms Act.

Internal Revenue Service Publication No. 364 contains the complete text of the National and Federal Firearms Acts; Publication No. 399, a summarization of the Acts. Free copies of the publications can be obtained at your nearest Alcohol and Tobacco Tax office.

The Alcohol and Tobacco Tax Division is interested in eliminating fraud on the revenue by internal revenue law violators. In working toward this goal, the Division welcomes the help and cooperation of all State and local officers as well as officers of other Federal agencies.

Officers who desire additional information about the activities of the Alcohol and Tobacco Tax Division or wish to report or seek assistance in investigating a violation or what they suspect is a violation of one of the laws it enforces should not hesitate to make their wishes known to the nearest Alcohol and Tobacco Tax office.

IMPORTANT ADDRESSES

Name _____

Address _____

Phone _____

Name _____

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Name _____

Address _____

Phone _____

Name _____

Address _____

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DIRECTORY

Alcohol and Tobacco Tax Regional offices are located at:

ATLANTA: Jackson 2-4121, Peachtree-Baker Building, 275 Peachtree St., NE., Atlanta 3, Georgia

BOSTON: Lafayette 3-8600, 55 Tremont Street, Boston 8, Massachusetts

CHICAGO: Dearborn 2-4500, 17 North Dearborn Street, Chicago 2, Illinois

CINCINNATI: Dunbar 1-2200, Alms & Doepke Bldg., 222 East Central Parkway, Cincinnati 2, Ohio

DALLAS: Riverside 8-5611, Santa Fe Building, 1114 Commerce Street, Dallas 2, Texas

NEW YORK CITY: Barclay 7-0800, 290 Broadway, New York 7, New York

OMAHA: Jackson 7900, 100 Elks Club Building, Omaha 2, Nebraska

PHILADELPHIA: Walnut 3-2400, 2 Penn Center Plaza, Philadelphia 2, Pennsylvania

SAN FRANCISCO: Yukon 6-3500, Flood Building, 870 Market St., San Francisco 2, California

Branch office with jurisdiction in your State:

Field office nearest you:

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